

Quest Software: Targeted Customer Segmentation Improves Sales and Marketing ROI

Situation:

Quest Software builds IT system management software products to simplify and reduce the cost of managing IT, and their 100,000+ global customer list includes the Top 10 companies in most industry sectors. The VP of Global Marketing needed to know more about those customers - who are they, what are their needs, how do they buy, who holds the budget? With products sold across many vertical markets, they needed to determine which verticals were more successful than others. Quest Software wanted to move to a more customer-centric marketing approach to better connect with top-level IT executives and to be perceived in the marketplace as an innovative provider of technology solutions and services.

Solution:

Alexander Group used sophisticated data gathering and analysis of Quest's target market sizing and demographics to stratify the customer base. This clearly defined each customer segment and determined which products best appeal to each segment, and where it would be beneficial to micro-segment to better serve high-potential customers. This analysis told Quest where they were under-covering some customers and over-covering others so that they could better target their sales and marketing activities. They were able to develop segment-level go-to-market plans, focused on differentiating the service levels as well as the messaging to each segment.

Benefit:

With a thorough and comprehensive approach, Alexander Group gained consensus and alignment from a cross-sectional group of stakeholders with very diverse needs. The outside view from Alexander Group helped the marketing organization at Quest become more sophisticated in aligning specific products, marketing and sales coverage to reach segmented target customers at a more reasonable cost. The ability to target the direct needs of individual segments from the beginning of the customer engagement cycle through fulfillment helped Quest Software clearly identify how to generate the best return on their sales and marketing investments.

“Prior to working with Alexander Group, Quest lacked a common definition of how we referred to our market segmentation. Now we have a singular model that everyone in the organization uses to refer to the customer segments we target, which has greatly improved our internal communication.”
Steve Kahan, Vice President, Global Marketing, Quest Software, Inc.

Challenge:

The VP of Global Marketing needed better insight into Quest's customer base in order to make informed business decisions on which marketing investments would yield the best ROI.